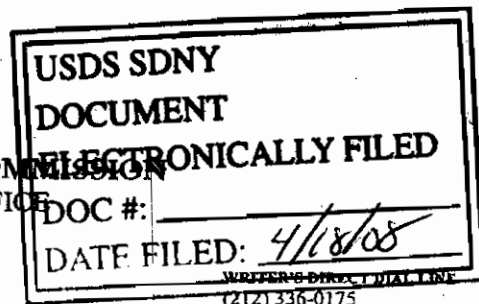


MEMO ENDORSED

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
NEW YORK REGIONAL OFFICE
3 WORLD FINANCIAL CENTER
SUITE 400
NEW YORK, NY 10281-1022



April 17, 2008

BY FACSIMILE TO 212.805.7949

The Honorable P. Kevin Castel
United States District Judge
United States Courthouse
500 Pearl Street
New York, New York 10007

Re: SEC v. Colonial Investment Management LLC, et al., 07 cv 8849 (PKC)

Dear Judge Castel:

Plaintiff Securities and Exchange Commission ("Commission") respectfully submits this letter pursuant to the Revised Civil Case Management Plan and Scheduling Order ("Plan"), Filed on February 25, 2008 in the above-captioned case, and pursuant to Your Honor's Individual Practices, Rule 1.C. Under the current Plan, fact discovery is to be completed no later than April 30, 2008. Plaintiff requires additional time to take discovery relating to a newly-asserted defense of advice of counsel and proposes that it be given until June 15, 2008 within which to complete discovery on that issue. The parties previously requested one (1) one-month extension of time for the completion of fact discovery, which the Court granted.

Defendants have not yet filed an Answer in this case and, on April 14, 2008, counsel for the Defendants informed counsel for the Plaintiff of the Defendants' intention to assert a defense of advice of counsel. Plaintiff anticipates limited discovery on this issue, including document requests and depositions. Otherwise, the parties have been moving expeditiously to complete discovery and are nearly completed. The proposed extension to accommodate discovery on this remaining issue would not affect any of the other scheduled dates. The Defendants do not object to Plaintiff's present request for an extension.

Respectfully submitted,

Valerie A. Szczepanik
Senior Trial Counsel

cc: Ira Lee Sorkin, Esq. (by facsimile)

*Fact discovery extended to June 15.
Expert discovery extended to August 15. Conference adjourned from June 16 to September 19, 2008 at 10:00 am.*

*SO ORDERED.
USDS
4-18-08*